BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND ELECTRIC COMPANY in the 2001 Annual Transition Cost Proceeding for the Record Period July 1, 2000, through June 30, 2001.

Application 01-09-003

(U 39 E)

ADMINISTRATIVE LAW JUDGE'S RULING DENYING THE MOTION OF THE OFFICE OF RATEPAYER ADVOCATES TO SUSPEND THE PROCEDURAL SCHEDULE

The Office of Ratepayer Advocates (ORA) moves that the current procedural schedule be suspended and that consideration of the above application be deferred for a period of 6 months. It states that the current press of business at the Commission, especially the regulatory oversight needed to ensure the smooth operation of the investor owned utilities' (IOU) reintroduction into the business of procuring energy in the open market, makes it impossible for ORA to staff this Annual Transition Cost Proceeding (ATCP) in a manner which will allow it to participate meaningfully. It says that at the time it proposed the current schedule, it was operating under the assumption that it would be able to fully staff teams to review and analyze Pacific Gas and Electric Company's (PG&E) ATCP, as well as the rulemaking proceeding establishing policies and mechanisms for IOU generation procurement (Rulemaking 01-10-024) and various other proceedings. ORA says that to assist it in this ATCP, it has recently hired an expert consultant; but ORA claims this does not alleviate its current staffing shortfall.

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PG&E opposes ORA's motion. It asserts that at ORA's request this proceeding has been repeatedly extended. PG&E filed testimony supporting its procurement and generation practices on January 11, 2002. The original schedule in this phase of the 2001 ATCP proceeding called for ORA to file its report on March 11, 2002. On March 7, 2002, I granted ORA's request for a delay and set a new due date, September 20, 2002, for the filing of ORA's report. Subsequently, ORA requested an open-ended extension of time to file its report, based on its assertion that it lacked funding to hire outside expertise to provide necessary assistance in the reasonableness review of PG&E's procurement practices during the record period. I granted ORA's request, ruling that ORA's testimony would be due four months after the date the State approved ORA's consultant contract.

The Commission's Rules of Practice and Procedure 6(e) states that any party's proposed schedule shall be consistent with an eighteen-month schedule in a ratesetting proceeding. Were I to suspend the schedule as ORA has requested, ORA would be submitting its report over eighteen months after PG&E filed its procurement and generation bidding testimony. The hearings in Phase II of the 2001 ATCP would likely be held three years after PG&E's relevant procurement activities came to a halt. I agree with PG&E that it would be prejudiced by this delay, in that knowledgeable employees may leave and memories fade, making it far more difficult to prepare testimony regarding events so far in the past. The consultant's contract was signed December 26, 2002. ORA's report is due, by agreement, on April 28, 2003.

Now, therefore, IT IS RULED that:

The Office of Ratepayer Advocate's (ORA) motion for a continuance is denied. ORA's report is due April 28, 2003.

Dated February 14, 2003, at San Francisco, California.

/s/ ROBERT BARNETT

Robert Barnett

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Denying The Motion Of The Office Of Ratepayer Advocates To Suspend The Procedural Schedule on all parties of record in this proceeding or their attorneys of record.

Dated February 14, 2003, at San Francisco, California.

/s/ CLAIRE JOHNSON
Claire Johnson

NOTICE

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